From: <u>Lawyer, Dennis</u>

To:Simpson, Paul D. (CDC/OCOO/OSSAM)Cc:Stinson, Narvaez (CDC/OCOO/OSSAM)

Subject: Department of Health and Human Services, Request for Additional Information Concerning Application for

Financial Assurance, Control 579424

Date: Thursday, December 26, 2013 9:34:00 AM

Dear Mr. Simpson,

This is in reference to your Decommissioning Funding Plan Submission dated December 18, 2013, providing financial assurance document for Nuclear Regulatory Commission License No. 10-06772-01, Docket No. 03004001. In order to continue our review, we need the following additional information:

- On the cover letter, you state that this submission of the decommissioning funding plan has an attached license amendment. We did not receive a license amendment. Please state that you are not pursuing a license amendment or resubmit the amendment request.
- 2. The material amounts as listed in tables in sections A.3.1.1 and A.3.4 are not accurate to the amount of material that you are licensed. Specifically, you are licensed for atomic numbers 1 through 83 instead of 3 through 83, and you are licensed for 10 millicuries of polonium 210 instead of 5 millicuries. Please make corrections to these tables.
- 3. The cost estimates for labor, packing material, shipping, disposal, and laboratory costs are exactly the same as your 2009 estimate. 10 CFR 30.35(e)(2) requires at the time of license renewal and at intervals not to exceed three years, the decommissioning funding plan must be resubmitted with adjustments as necessary to account for changes in costs and the extent of contamination. Please provide the date when updated rates were provided from your contractor for these services. These dates should be written into the decommissioning fund sections A.3.1.2 and A.3.16 instead of using the terms "current" or "recent" which was also written in 2009.
- 4. Section A.3.12 provides the worker unit cost schedule. It is based on inflation cost adjustment from 2006 to 2009. 10 CFR 30.35(e)(2) requires at the time of license renewal and at intervals not to exceed three years, the decommissioning funding plan must be resubmitted with adjustments as necessary to account for changes in costs and the extent of contamination. Section A.3.12 is also contrary to the method of adjustments provided in section A.3.2 in which you state you will provide recalculated cost estimate every three years which would not be based on price index estimate. Please provide a revised section A.3.12 with the date the estimate worker unit cost schedule estimates were obtained and meeting the requirements of section A.3.2.

We will continue our review upon receipt of this information. Please reply to my attention at the Region 1 Office (Address below) and refer to Mail Control No. 579424. If you have technical questions regarding this letter, please call me at (610) 337-5366.

Please note that you may not reply to this letter by return e-mail. Your reply must be in

writing by letter or facsimile (610-337-5269). If we do not receive a reply from you within 30 calendar days from the date of this e-mail, we will assume that you do not wish to pursue your application.

Region 1 Office Mailing Address: Licensing Assistance Team, US Nuclear Regulatory Commission Region I, 2100 Renaissance Boulevard, Suite 100, King of Prussia, PA 19406-2713.